

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)
Implementation of Sections of the)
Cable Television Consumer Protection)
and Competition Act of 1992)

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

MM Docket No. 92-266

Rate Regulation)

PETITION IN SUPPORT FOR LIMITED STAY OF EFFECTIVE DATE

Dow, Lohnes & Albertson (DL&A), which serves as counsel for numerous cable television systems, respectfully files this petition in support of the request for a delay in the implementation of the Commission's Rate Regulation Order, MM Dkt. No. 92-266 (April 1, 1993) ("Order") filed by the National Cable Television Association insofar as it would provide relief from the requirement that cable television operators comply with the requirement to adjust their rates to the benchmarks contained in the Order by June 21, 1993. DL&A believes that delay in implementation of this requirement would provide the cable television industry and affected parties with an orderly transition to rate regulation. It would simplify the administrative burdens of cable operators as well as franchising authorities and the Commission by permitting a straight-forward implementation of benchmark rates and the reduction of potential disputes.

The Commission's Order is both an extensive and a complicated document. It will take operators many hours to

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compute a permitted rate for a single system and obtain the necessary information required to unbundle equipment and installation charges. For operators who own multiple systems, this would be a daunting task under the best of circumstances, but under the time constraints imposed by the Order, it will be most difficult to achieve this result by June 21, 1993, or certainly by May 21, 1993, the date by which operators could be required to notify franchising authorities of an adjustment in rates for basic or programming services.^{1/} The new regulations will require operators to create new accounting systems for allocating costs and charges which, until now, have not been used by the cable industry. If an operator is not able to compute an accurate benchmark in a timely manner, and lower and raise channel charges as required by the Commission's regulations, it would not only be subject to complaints and orders for refunds, it would also lose revenues on those channels which are below benchmark but which the operator has a right to adjust under the Commission's Order.

Moreover, administrative considerations suggest that delaying the date by which operators must adjust their

^{1/} The Commission anticipated that operators would be required and would adjust their current rates to conform to the Commission's benchmarks. In some cases, systems will be required to raise a per channel rate and lower a programming service rate in order to conform to the benchmarks that have been established by the Commission. Any increase in rates could require prior notification to a franchising authority, and there is simply not enough time to comply with procedural requirements contained in many franchise agreements.

rates to the Commission's benchmarks is warranted. As the Commission is aware, its worksheets require some adjustments and revisions so that operators, as well as franchising authorities, will be able to calculate accurately the relevant benchmarks and permitted rates. Adhering to the current schedule will make it extremely difficult to implement these regulations in a reasonable manner. Moreover, not only will some cable operators undoubtedly lose revenues that would otherwise be retained by proper restructuring of their per channel charges, but relationships with the local franchising authorities and subscribers may be harmed if benchmarks are inaccurate or operators are not able to provide adequate adjustments of per channel rates.

The public will not be harmed by this slight delay in implementing the benchmarks. The Commission's rate freeze is still in effect, and if the requested relief is granted, operators will be provided with sufficient time to make the necessary adjustments to their benchmark rates without violating the notice requirements of their franchises.

For the foregoing reasons, DL&A support the
Petition For Limited Stay of effective Date filed by the
NCTA.

Respectfully submitted,
DOW, LOHMEYER & ALBERTSON



Peter H. Feinberg
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May 12, 1993

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CERTIFICATE OF SERVICE

I, Rhonda S. Rowe, a secretary at the law firm of Dow, Lohnes & Albertson, do hereby certify that on this 12th day of May, 1993, I caused a copy of the foregoing "Petition in Support for Limited Stay of Effective Date" to be delivered by first-class United States mail to the following:

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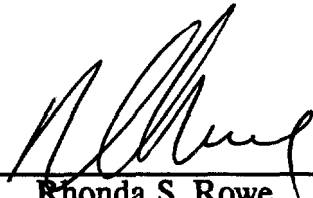
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